

SPECTACULAR SOLAR INC.
Projection Assumptions

Overall assumptions	Attached files are spread out by month with annual totals ending in January of each year through 2028. Business prospects include current mix of 95% commercial and 5% residential. A change in mix could affect the gross margin and net income The company does not have a financing agreement with any bank and needs to maintain at least \$100K month to month. This level is not always achieved. Model shows projections by month and a separate tab for annual projections ending in January of each year Proof of claims are in separate tab to calculate unsecureds recovery The unsecured creditors, including Kapitus, receive a 29.23% recovery upon adjustment of disputed claims, and the secured lender (SBA) will get the \$2,437 payment for 5 years and will be paid over 30 years,
Revenue	Revenue projections are based on previous years results and trends Q1 is traditionally the slowest quarter as winter weather and tax bills are due, leaving less cash for customers to buy solar Sales begin to increase in April and reach a peak, steady level during the summer, while other businesses purchase solar at year end as a tax strategy to decrease taxes owed and save on energy costs Five year projections include annual increases of approximately 2% Cash constraints limit growth and projections do not have personnel increases
Cost of Goods sold	Costs of goods sold are based upon recent costs Moderate increases in costs are reflected in projections but are dependent upon supply/demand and production capacity increases, as solar installs increase in the USA. Each solar install requires permits, engineering, solar panels, lifts to get panels on roof, electrical conduit and wire and shipping to customers from Distributors Payroll increases of 5% per year for installers every January. Increased labor costs for OT during busy installation months from May to June
Expenses	Administrative expenses necessary to run the business Accounting charges for quarterly reports and taxes Dividend finance fees are fees charged to company to arrange solar financing for customers Legal and US Trustee fees to administer bankruptcy Commercial, auto policies increase 20% per year as per recent history. Workers comp policy increases 10% per year due to low claim rate Contractor costs are roofing costs and repairs necessary to install solar panels Travel costs associated with transportation to installs
Bankruptcy Expenses	Payments to Kapitus Payments to Kapitus are \$25k initial payment and \$4500/mo for 43 months (\$500 extra in month 43) with the remaining balance reclassified to unsecured Payments to unsecured creditors made quarterly
Cash Balance	Balance based on streamlined collections and expenses. Month end balances could be affected by timing.

SPECTACULAR SOLAR INC.												
5 Year Projection Feb 1, 2023 - Jan 31, 2028												
Revenue/Expense		Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Revenue												
Sales Discounts-Allowance												
Sales of Product Income	(6,250)	(7,250)	(10,625)	(11,250)	(11,875)	(11,250)	(11,875)	(11,875)	(11,875)	(11,875)	(11,875)	(11,875)
Total Revenue	250,000	260,000	325,000	450,000	450,000	475,000	450,000	475,000	475,000	475,000	475,000	475,000
Cost of Goods Sold												
Cost of Goods Pervol Taxes	1,685	1,685	1,685	1,685	1,685	1,685	1,685	1,685	1,685	1,685	1,685	1,685
Cost of Goods Sold	127,500	141,750	153,000	216,750	229,500	229,500	242,250	242,250	242,250	242,250	242,250	242,250
Engineering/Plans 3.6k depending on systems	6,000	6,250	6,250	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500
Equipment rental/ltts	2,500	3,000	3,000	4,250	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Permits	2,500	2,900	3,000	4,250	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Shipping	500	500	500	500	500	500	500	500	500	500	500	500
Electric Supplies & Materials - CGOS	12,500	14,750	15,300	21,675	22,950	22,950	24,225	24,225	24,225	24,225	24,225	24,225
Cost of Goods Sold: Other	1,725	1,797	2,168	2,168	2,168	2,168	2,168	2,168	2,168	2,168	2,168	2,168
Total Cost of Goods Sold	176,532	206,733	238,506	294,958	294,958	309,861	292,458	307,861	307,861	307,861	307,861	307,861
Gross Profit	67,012	82,118	85,707	138,819	143,792	143,792	143,792	143,792	143,792	143,792	143,792	143,792
Expenses												
Administrative payroll	41,321	41,321	41,321	41,321	41,321	41,321	41,321	41,321	41,321	41,321	41,321	41,321
Payroll Taxes	3,161	3,161	3,161	3,161	3,161	3,161	3,161	3,161	3,161	3,161	3,161	3,161
Web Development	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Advertising & Marketing	175	175	175	175	175	175	175	175	175	175	175	175
Auto - Repair/Maintenance	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750
Auto - Payments	600	600	600	600	600	600	600	600	600	600	600	600
Bad Debt Expense	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627
Banl Charges & Fees	125	125	125	125	125	125	125	125	125	125	125	125
Commission	2,900	3,000	4,250	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Dividend Finance Fees	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120
Dues and Subscriptions	400	400	400	400	400	400	400	400	400	400	400	400
Education Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Commercial liability insurance	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226	3,226
Commercial Auto	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703
Workers Comp	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
IT Services	1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296
Legal & Professional Services	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Music & Entertainment	275	500	500	500	500	500	500	500	500	500	500	500
Company Lunch	250	250	250	250	250	250	250	250	250	250	250	250
Payroll Service Fees	446	446	446	446	446	446	446	446	446	446	446	446
Office Equipment	95	95	95	95	95	95	95	95	95	95	95	95
Office Expense	200	200	200	200	200	200	200	200	200	200	200	200
Cleaning Supplies	75	25	25	25	25	25	25	25	25	25	25	25
Software	1,193	1,193	1,193	1,193	1,193	1,193	1,193	1,193	1,193	1,193	1,193	1,193
Postage	1,75	1,75	1,75	1,75	1,75	1,75	1,75	1,75	1,75	1,75	1,75	1,75
Contractor/crofing	5,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500
Rent	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385
SBA EIN SECURED CLAIM	2,437	2,437	2,437	2,437	2,437	2,437	2,437	2,437	2,437	2,437	2,437	2,437
Travel & EP Pass	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350
Travel Gas	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025
Utilities	375	375	375	375	375	375	375	375	375	375	375	375
Waste Collections	167	167	167	167	167	167	167	167	167	167	167	167
Storage	874	874	874	874	874	874	874	874	874	874	874	874
Total Expenses	96,716	98,751	98,501	98,001	102,753	99,001	104,137	106,887	102,461	98,871	102,871	103,771
Net Operating Income	(29,564) (15,583)	35,318	44,791	41,041	44,791	56,623	42,155	48,378	52,349	(31,646)	(9,731)	26,101
Internal Revenue Service (\$56,384.63)	-5,95%	8,55%	10,26%	9,46%	10,276	12,76%	9,05%	11,176	-12,6%	-44,1%	-8,2%	-9,6%
Administrative Fees (Attorneys and US Trustee)	(53,516) (70,199)	(81,243)	(45,595)	(11,134)	39,907	84,698	141,121	183,276	231,654	284,003	251,357	193,979
Cumulative Net Income	(48,866) (65,498)	(76,493)	(57,175)	(56,884)	(24,345)	15,948	55,871	91,526	137,404	220,253	183,307	126,608
Cash balance												

Unsecured claims

Kapital

Unclosed Creditors Payment

Internal Revenue Service (\$56,384.63)

Administrative Fees (Attorneys and US Trustee)

Cash balance

12,269

SPECTACULAR SOLAR INC.

SPECTACULAR SOLAR INC.

5 Year Projection
Feb 1, 2023 - Jan 31, 2028